

CENTRAL BUSINESS IMPROVEMENT DISTRICT  
FORT SMITH, ARKANSAS

Tuesday, August 21, 2018  
Area Agency on Aging building, 524 Garrison Avenue  
Fort Smith, Arkansas  
7<sup>th</sup> Floor Board Room

Meeting Minutes

The Fort Smith Central Business Improvement District Commission's regular meeting was scheduled for 9:30 a.m. on Tuesday, August 21, 2018 in the 7<sup>th</sup> floor board room of the Area Agency on Aging building, 524 Garrison Avenue, Fort Smith, Arkansas.

The meeting was called to order by Mr. Bill Hanna, Chairperson, at 9:36 a.m. and a quorum was noted present. Also in attendance were commissioners Richard Griffin, Phil White, Lee Ann Vick, Sam Sicard, Rodney Ghan and Jeff Pryor. Commissioner Steve Clark was absent and excused. Others in attendance included Brenda Andrews, Doug Reinert and Jeff Dingman of the City of Fort Smith.

Mr. Ghan moved approval of the minutes of the June 19, 2018 regular meeting. Mr. Sicard seconded, and the motion carried by unanimous vote. There was no meeting in July.

The commissioners considered the Treasurer's report for the months of June and July 2018, such documents being previously provided by Mr. Sicard for the commissioners' review. As of July 31, 2018, the Total Cash-on-Hand for the CBID amounted to \$73,424.45. Restricted funds comprise \$5,439.90 of the total cash. The total cash net of restricted funds amounted to \$67,984.55. Mr. Sicard noted the previously approved disbursement of funds to WAPDD in support of the downtown traffic study project was processed in July. Mr. Pryor moved to accept the Treasurer's Report. Mr. Ghan seconded, and the motion carried unanimously.

Mr. Hanna introduced Mr. Tim Allen, Executive Director of the Fort Smith Regional Chamber of Commerce, and Mr. Leslie Lane of Arkansas Capital Corporation to discuss the topic of Economic Opportunity Zones. Mr. Allen noted that there are 83 such zones statewide, and three such zones designated in Fort Smith, as recommended by Governor Hutchinson and approved by the U.S. Department of Treasury. Mr. Lane then reviewed many of the parameters of the program, which is intended to encourage persons or entities with capital gains to invest those gains in Opportunity Funds that support development or redevelopment projects within the designated Economic Opportunity Zones in order to defer or reduce income taxes owed on the capital gains. The program is not a grant or low interest loan program, but rather an income tax benefit program, administered by the Department of Treasury. The program currently lacks clarity in terms of rules and regulations, but the Treasury Department is expected to issue clarification statements this fall. In the meantime, investors are able to consult with their own attorneys and tax advisors to establish Opportunity Funds right now. There are time parameters to consider, both in terms of forwarding capital gains to an Opportunity Fund and then in terms of identifying qualifying projects on which the funds may be spent. Mr. Lane responded to specific questions from Commissioners about how the program works, including questions regarding renovations to property already owned. Although Mr. Lane provided general responses, it was suggested that specific questions be addressed to tax advisors or attorneys for clarification. After the discussion, the CBID thanked Mr. Allen and Mr. Lane for attending and participating in the meeting.

Mr. Hanna next introduced Talicia Richardson, Executive Director of 64.6 Downtown, for an update on activities. Mrs. Richardson noted that the previous discussion on Economic Opportunity Zones falls in line with the 64.6 mission of increasing opportunities for investment in downtown Fort Smith. She further noted that 64.6 Downtown will publicize and hold a “Downtown Investment Summit” on October 30 in order to educate the public and potential investors on the various investment tools, incentives, and potential grant programs that can be used when investing in property or opening a business in downtown Fort Smith. More information on that summit will be made public in the coming weeks.

Mrs. Richardson reported that 64.6 Downtown is busy working with realtors, business owners, and property owners to identify all available spaces downtown, be they available for sale or rent, residential or commercial. They intend to work with property owners interested in finding tenants for vacant spaces or finding incentives to renovate or improve their properties. 64.6 has already started working with various city departments (Streets, Parks, Sanitation) on efforts to clean up and improve the appearance of the public rights-of-way. She then noted that 64.6 continues to follow-up on aspects of the Propelling Downtown Forward plan, such as the needed comprehensive traffic study and the Form-Based Code zoning regulations for downtown.

The traffic study, to be administered by WAPDD, is pending finalizing the agreement and the needed funding. The City has committed \$100,000 to the study, and the private sector is currently \$5,000 short of coming up with the remaining \$52,000 that is needed. As noted above, the CBID has provided \$20,000 of that amount. Upon completion of the agreement, the consultant will perform the work.

Ms. Brenda Andrews, on behalf of the city’s Planning Department, noted that the Form-Based Code zoning regulation project was underway. The Planning Department has recently received the first few chapters of the draft revisions from the consultant, and will review and provide responses as they continue to learn the proposed processes involved. When the proposed language has been completed and reviewed, the next step will be publicizing the proposed changes, including holding public meetings to explain the revisions and how the new regulations will work. Mr. Griffin expressed concern at the timeliness of moving forward with this project, as the Propelling Downtown Forward plan was approved over a year ago. Ms. Andrews noted that the project is moving ahead but is one of several projects on which the Development Services staff is working, not the least of which is the implementation of the EnerGov portion of the City’s ERP records & management system. Upon the question of prioritization of such projects, Mr. Dingman noted that the ERP project is a city-wide undertaking related to the city’s overall financial and records management processes, and that the city is in the middle of a two-year implementation of this project, so it is a high priority item for all departments. Regardless, the staff is still working the Form-Based Code project with the consultant and will move it forward for public review as it ready.

Mrs. Richardson then noted that 64.6 Downtown is focused on leveraging the momentum of downtown and riverfront development, including the skate and bike park currently under construction, programming at the amphitheater, and seeking opportunities for pop-up businesses such as bike rentals or Bird scooters that can add to the vitality and atmosphere of the district. Efforts have led to successes in getting new pedestrian crossing lights installed, and to the Fort Smith Police using its new motor patrol division for traffic enforcement in the district. Further discussions with ARDOT are needed regarding maintenance of US Highways downtown, including specifically the intersection at 5<sup>th</sup> and Garrison, and the truck-route portion of North A Street that is extremely rough between Riverfront Drive and North 5<sup>th</sup> Street.

Interested parties continue to focus on developing amenities and residential opportunities downtown. Mr. John McIntosh relayed that the Gateway Park project is moving along. A cost estimate of \$579,000 has been identified, and private efforts are underway to raise the needed funding. The construction of the project itself is expected to start in the spring, and be complete in the fall of 2019. Mr. McIntosh expressed his thanks to OG&E for working in advance to accommodate this project.

Mr. Ghan noted that while the downtown district is seeing success, there are still instances where businesses have recently moved from downtown to other parts of the city. One in particular needed to move as it outgrew its location, and another couldn't reach agreement with its landlord. Mrs. Richardson noted she was aware of both, and in both instances tried to work with the businesses to keep them downtown. 64.6 Downtown will continue efforts to help businesses locate and stay downtown.

Mr. Hanna noted that in addition to the planned summit on October 30, that Mrs. Richardson has agreed to facilitate a strategic planning session of the CBID this fall. He suggested that members be open to spending a half day or so in October/November for this purpose, and asked Mr. Dingman to facilitate a date.

Doug Reinert, the city's Director of Parks & Recreation, presented an update on city projects. Along with Bobby Aldridge of Frontier Engineering, he reported that the Bike & Skate Park on the riverfront is still under construction, and experienced weather delays with last week's rain. The park is currently set to be complete in early September, and then a Grand Opening celebration will be planned for late September or mid-October. In the meantime, the park is attracting skaters even before it is complete, and the Parks Department and construction contractor are trying to take steps to keep people out of the construction site until the park is complete.

Mr. Reinert noted that the Rice Carden trail extension to Fort Smith Park has reached substantial completion, with some drainage work and punch-list items left for completion. The downtown district has around 300 decorative street lamps, and the Parks Department is incrementally converting them from halogen bulbs to LED's, which is an expense but will lessen operating expenses and energy costs. They are also evaluation options as to what to do with the gas lamps on Court Street. Maintenance crews are already starting to work on the Christmas lights, which will soon take up most of their time to get the lights ready and in place for the holiday season.

Mr. Griffin asked about the utilization of the soccer fields at the 51-Acre site on Riverfront Drive. Mr. Reinert responded that the two completed fields and adjacent open space do not seem to be getting much use, most likely attributed to the fact that there is still no source of water to the site for irrigation purposes or to accommodate restrooms or drinking fountains. The city has not been successful in securing an easement from KCS railroad from the property east to Spradling Avenue for bringing utilities to the site. Mr. Hanna agreed to discuss this further with Mr. Reinert in hopes of moving toward securing the needed easement from KCS.

The CBID considered a request for variances from sign regulations related to the size of letters and the use of plastic substrate from the owner of 1021 Garrison Avenue, who is improving the property and converting it from the former Riverfront Inn to a Red Roof Inn. The new requested signage conforms to the requirements of their Red Roof Inn franchise. Mr. Griffin noted that modern sign fabrication often uses plastic substrates, and that the CBID's design guidelines should be reviewed and modified to reflect that so that property owners or businesses do not need to ask the CBID for that specific variance from the regulation. Ultimately, Mr. Griffin moved approval of the requested variances. Mr. White seconded, and the motion carried by unanimous vote.

The CBID next considered a request for variance from sign regulations related to the use of plastic substrate for a sign at 1120 Garrison Avenue. Crosspointe Insurance Advisors, LLC proposes a wall-mounted sign on the building, but it will incorporate plastic in its design. Mr. Griffin moved approval of the variance. Mr. Ghan seconded, and the vote to approve was unanimous.

The Fort Smith Farmer's Market on Garrison Avenue, represented by Ms. Amanda Pereira, Assistant Market Manager, proposed that the CBID consider endorsing a proposal to the City's Board of Directors that the city-owned "Farmers Market Parking Lot" at Garrison and North 2<sup>nd</sup> Street be improved with pavilions, electrical service, and restrooms. Ms. Pereira acknowledged this has been discussed in the past but encountered funding issues and has not been done. The Market engaged MAHG Architects to scale down previous designs for a proposed project to a more affordable option, and a rendering and proposed layout was provided to the CBID. The issue, of course, is still funding and the CBID asked about estimated cost. Ms. Pereira relayed their understanding that estimated cost is about \$100,000 but that number will need to be confirmed. In support, Ms. Pereira noted that the Market operates year-round, and that they have no immediate access to restrooms or hand-washing facilities. They also encounter difficulties with vendors that require electrical service. The proposed improvements will also help organize vendors to make efficient use of the space. Such improvements could be used by the City for other events when the Market is not operating. The CBID, while recognizing that such a project will depend on funding, relayed general support for the idea, and agreed to take up further discussion on the topic at its planning session this fall.

Mr. Griffin asked for a status report on property maintenance enforcement efforts at 815 North B Street. Ms. Andrews reported that staff is in contact with the property owner and is monitoring incremental, albeit slow progress in rectifying enforcement issues. He also inquired as to inoperable autos previously reported at 221 Towson and 301 South 12<sup>th</sup>, and Ms. Andrews reported that the inoperable vehicles have been removed from those locations.

The next meeting of the CBID Commission is scheduled for September 18, 2018. There being no additional business before the Commission, the meeting adjourned at approximately 11:03 a.m.

Respectfully submitted,



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Jeff Dingman  
Deputy City Administrator